

HOUSE BILL No. 1340

DIGEST OF INTRODUCED BILL

Citations Affected: IC 4-4-11-15.6; IC 5-1.5-8-1; IC 20-48-1-13.

Synopsis: Refunding bonds for school consolidation. Authorizes the Indiana finance authority to issue bonds and use the proceeds of the bonds to acquire obligations issued by a school corporation to refund debt incurred by a school corporation before that school corporation completed a consolidation or merger. Authorizes the Indiana bond bank to purchase such refunding bonds from a school corporation. Specifies that a school corporation may sell such refunding bonds at a negotiated, private sale to the Indiana finance authority or the Indiana bond bank.

Effective: July 1, 2014.

Huston

January 21, 2014, read first time and referred to Committee on Ways and Means.



Second Regular Session 118th General Assembly (2014)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2013 Regular Session and 2013 First Regular Technical Session of the General Assembly.

HOUSE BILL No. 1340

A BILL FOR AN ACT to amend the Indiana Code concerning education.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 4-4-11-15.6, AS AMENDED BY P.L.233-2013,
2 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2014]: Sec. 15.6. In addition to the powers listed in section 15
4 of this chapter, the authority may:
5 (1) issue bonds under terms and conditions determined by the
6 authority and use the proceeds of the bonds to acquire obligations
7 issued by any entity authorized to acquire, finance, construct, or
8 lease capital improvements under IC 5-1-17;
9 (2) issue bonds under terms and conditions determined by the
10 authority and use the proceeds of the bonds to acquire any
11 obligations issued by the northwest Indiana regional development
12 authority established by IC 36-7.5-2-1;
13 (3) after December 31, 2009, issue bonds under terms and
14 conditions determined by the authority and use the proceeds of
15 the bonds to acquire any obligations issued by either the
16 commuter rail service board established under IC 8-24-5 or the



1 regional demand and scheduled bus service board established
2 under IC 8-24-6;

3 (4) enter into leases and issue bonds under terms and conditions
4 determined by the authority and use the proceeds of the bonds to
5 carry out the purposes of IC 5-1-17.5 within a motorsports
6 investment district; ~~and~~

7 (5) perform any other functions determined by the authority to be
8 necessary or appropriate to carry out the purposes of IC 5-1-17.5
9 within a motorsports investment district; **and**

10 **(6) issue bonds, under terms and conditions determined by the**
11 **authority, and use the proceeds of the bonds to acquire**
12 **obligations issued by a school corporation to refund bonds or**
13 **other obligations that were issued or entered into by a school**
14 **corporation before that school corporation completed a**
15 **consolidation or merger under IC 20-23 or any other law.**

16 SECTION 2. IC 5-1.5-8-1 IS AMENDED TO READ AS
17 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. The bank, to carry
18 out the purposes and policies of this article, may purchase securities of
19 the qualified entity, **including any securities issued by a school**
20 **corporation to refund bonds or other obligations that were issued**
21 **or entered into by a school corporation before that school**
22 **corporation completed a consolidation or merger under IC 20-23**
23 **or any other law.** Notwithstanding any law to the contrary, a qualified
24 entity may sell its securities to the bank at a negotiated, private sale.
25 The bank, for this purpose, may issue its bonds and notes payable
26 solely from the revenues or funds available to the bank for such
27 payment and may otherwise assist qualified entities as provided in this
28 article.

29 SECTION 3. IC 20-48-1-13 IS ADDED TO THE INDIANA CODE
30 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
31 1, 2014]: **Sec. 13. A school corporation may:**

32 **(1) issue bonds to refund bonds or other obligations that were**
33 **issued or entered into by a school corporation before that**
34 **school corporation completed a consolidation or merger**
35 **under IC 20-23 or any other law; and**

36 **(2) sell the bonds at a negotiated, private sale to the Indiana**
37 **finance authority or the Indiana bond bank.**

